

# THE COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

United States Department of the Treasury



## Kimberly Reed Director, CDFI Fund 2007 National CDFI Program Awards Chicago, IL

Good morning, thank you for being here today. My name is Kimberly Reed, and I am the Director of the U.S. Department of the Treasury's Community Development Financial Institutions Fund, or the CDFI Fund.

I am pleased to be here today with Treasury Secretary Paulson to announce the 2007 CDFI Fund program awards, which will provide over \$27 million to 68 community based financial institutions, called CDFIs, in 30 states and the District of Columbia.

These awards will expand the capacity of these organizations to provide affordable financial services and products in underserved communities across the nation.

CDFIs use our financial awards to engage in a wide range of economic development activities. These investments include, small business lending, affordable home mortgage products, financial education, home ownership counseling, and they also develop other innovative solutions to meet the needs in their communities.

We chose this site to make our 2007 national award announcement to highlight the successes of CDFIs such as Neighborhood Housing Services of Chicago, and draw attention to their foreclosure prevention program, which is fast becoming a national model of how to address the needs of homeowners who are unable to afford their current mortgage expense and face the potential loss of their homes.

The late Federal Reserve Board Member, Ned Gramlich, recognized in his recent book on subprime mortgages the value of the CDFI Fund as an investor in these community-based financial institutions which are keeping alive the American dream of homeownership.

Approximately one-third of today's award recipients will use their awards to offer financial products in their communities that provide low income consumers with affordable alternatives to high cost lending products.

Now, it is my pleasure to introduce, Bruce Gottschall, Executive Director of Neighborhood Housing Services of Chicago. I would like to personally congratulate him on NHS' award of nearly \$1 million from the CDFI Fund.